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MOCK LEGISLATIVE SESSION AND CENTENNIAL BALL WILL MARK ANNIVERSARY DAY

Mock Legislative Session...Among the festivities planned on Wednesday, Nov. 8, the 100th anniversary of Montana's admission as the 41st State of the Union, is an extracurricular joint session of the 51st Legislature. Speaker of the House John Vincent and President of the Senate Jack Galt will preside over the session.

Centennial Ball...The State's 100th anniversary will be capped by the Centennial Ball on the evening of Nov. 8. The redecorated and festooned Capitol will host revelers on all floors as the building becomes a vast ballroom for that evening of joyous celebration of Montana's first century. The Capitol's walls are expected to ring with the merry strains emanating from the instruments of many of the State's finest musicians.

Centennial Resolution...To express Montanans' gratitude for the natural treasures bestowed upon their state, their pride in the accomplishments of their first century of statehood, and their anticipation of a future filled with opportunity and achievement, during the mock session, the legislature will consider and adopt this Centennial Resolution:

WHEREAS, November 8, 1989, will mark the 100th year of Montana's admission as the 41st state of the United States

PLEASE RETURN

of America; and

WHEREAS, on November 8, 1889, Montana celebrated the end of 25 years, 5 months, and 12 days of territorial vassalage that had placed Montana in an inferior political position and disenfranchised the people on a national level, culminating in the Congressional nullification of the acts of the Second and Third Territorial Assemblies; and

WHEREAS, Montanans have always been independent, free-thinking, and fair-minded, and have demonstrated overwhelming desire to be a free and independent state by convening constitutional conventions in 1866 and 1884 without Congressional authorization and by approving the 1889 Constitution by an 11-to-1 vote on October 1, 1889; and

WHEREAS, Montanans who have always felt destined for great things, prepared politically, economically, and culturally for statehood during their territorial apprenticeship and were welcomed into the family of states, and had their fundamental and inalienable rights as American citizens bestowed by statehood; and

WHEREAS, statehood gave Montana the historic opportunity for economic progress influenced by population expansion, amassing of capital, and advancing technology, each of which is dependent to some extent on outside influences; and

WHEREAS, Montana is a land of great intensities, where social and economic changes have been marked by rapid stages of development; and

WHEREAS, the Treasure State, in its century of statehood, has created its own unique political culture; has developed its vast natural resources of timber, copper, silver, gold, coal, gas, and oil for the benefit of the nation; and through husbandry has reaped the bounty of the land through the production of livestock and grain to become the breadbasket of America; and

WHEREAS, Montanans have always had a deep and enduring affinity for the High, Wide, and Handsome

Uncommon Land of the Big Sky, whose natural beauty and spectacular grandeur are appreciated by all Americans; and

WHEREAS, Montana's poets, writers, and artists have celebrated Montanans' love of the land, with its uniqueness and majesty that truly mark it as The Last Best Place; and

WHEREAS, Montana's future is directly tied to its stewardship of the land and a vision based upon the realization of its past.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That all Montanans join together to celebrate the 100th anniversary of statehood by utilizing the tools of self-government, political independence, free election of responsible officials, and equality of opportunity bestowed by statehood to unite in a vision and a destiny for the future of Montana that preserves and draws upon the traditional values that have distinguished Montana and that will carry it forward in the future so that generations will be able to remain and enjoy its bounty, while at the same time preserving its uniqueness, its splendor, and its grandeur.

COMMITTEE ON ACCOUNTABILITY AND QUALITY IN EDUCATION

Sen. Brown Heads Committee...The Committee on Accountability and Quality in Education (SB 16) held its first meeting on Oct. 24. Sen. Bob Brown of Whitefish was elected Chair and Rep. Vivian Brooke of Missoula was elected Vice-Chair. Sen. Joe Mazurek has replaced Sen. Pat Regan on the Committee.

State Officials Heard...Wayne Phillips of the Governor's Office and Superintendent of Public Instruction Nancy Keenan both spoke to the Committee on the issue of educational reform. Phillips reported on the recent Presidential Summit on Education that he attended with Governor Stephens. As a result of the Summit, the Governor is planning a series of mini-summits around the state in the coming

months to seek input from Montanans regarding educational goals for the state. The Committee offered the Governor its assistance in helping to arrange these mini-summits. Superintendent Keenan spoke on educational reform in Montana and asked the Committee to look very closely at what is currently happening in Montana schools and to carefully determine performance indicators to measure quality and accountability.

Public Input Taken...The Committee heard testimony from interested persons and organizations regarding the proposed study plan presented by staff. Claudette Morton of the Board of Public Education stated that the Board is also looking at the Governor's New Century Plan for Education, and the Committee agreed to cooperate with the Board in their mutual endeavors. The study encompasses two distinct parts: educational reform issues and a definition of a basic system of free quality education. By consensus, the Committee agreed to study the reform issues first, and so adopted that portion of the proposed study plan relating to "Accountability and Quality in Education".

Tentative Meeting Dates...The Committee adopted as a tentative schedule of meetings: Saturday, Jan. 20; Friday, March 23; Saturday, May 19; Friday, Sept. 7; and Saturday, Oct. 6.

LEGISLATIVE OVERSIGHT COMMITTEE ON SCHOOL FUNDING IMPLEMENTATION

Co-chairmen chosen...The Legislative Oversight Committee on School Funding Implementation (Implementation Committee) held its organizational meeting Oct. 14. Sen. Chet Blaylock and Rep. Bill Glaser were elected co-chairmen, with Sen. Blaylock assigned to chair each meeting.

The main business of the day was to review and approve a study plan and work schedule designed by staff. The Committee also established by-laws for operation of the Committee. Interested persons were invited to respond briefly to the study plan and work schedule. The Committee met briefly with the Subcommittee on Accountability and Quality in Education to hear reports by Wayne Phillips and Superintendent Nancy Keenan.

Agencies Cooperate...House Bill 28 allows the Implementation

Committee to call upon the staffs of the Office of Public Instruction, the Legislative Fiscal Analyst, the Office of Budget and Program Planning, the Legislative Auditor, and Legislative Council. Staff members from these agencies worked jointly to develop the study plan, work assignments, and meeting schedule. Andrea Merrill, staff researcher, Legislative Council, will serve as lead staff. The Office of Public Instruction will be responsible for analysis of school spending and budgets in preparation for implementation of the new funding plan, in addition to analysis of school transportation costs and funding distribution issues such as tuition and isolated schools.

The Legislative Fiscal Analyst will research and prepare reports on options for equalizing the funding of school facilities. The first report on capital outlay will be presented in January and will address the process that the legislature might want to establish to review, evaluate, and fund school facility proposals. The report will use selective examples of the school facility programs created by other states to address funding equalization.

Jan. 11 and 12 Meeting Dates...The next meeting is scheduled for Jan. 11 and 12.

JOINT INTERIM SUBCOMMITTEE ON ADULT AND JUVENILE DETENTION

Sen. Halligan Is Chairman...The Joint Interim Subcommittee on Adult and Juvenile Detention held its first meeting on Oct. 27 when Sen. Mike Halligan was elected chairman. The Subcommittee approved, with changes, a study plan for the interim study on adult and juvenile detention, which was requested by SJR 23.

Reports Received...The Subcommittee heard several staff reports including:

¶ A research report on current jail problems in Montana.

¶ A report on state and federal mandates that require removal of juveniles from adult jails and other detention facilities.

¶ A legal memorandum on constitutional issues relating to the incarceration of adults and juveniles.

Detention System...The Subcommittee heard a presentation from state agencies of an overview of Montana's adult and juvenile detention system. The Subcommittee concluded its meeting with a tour of the Lewis and Clark County Jail and a tour of a youth shelter care facility.

Feb. 9 Is Tentative Meeting Date...The Subcommittee has tentatively scheduled the next meeting of the full committee on Feb. 9 in Great Falls. A meeting may be held before then by a smaller subcommittee that will tour jail facilities in areas of the state that are experiencing serious jail problems.

JOINT SELECT COMMITTEE ON WORKERS' COMPENSATION

Study Activities Commence...Sen. Gary Aklestad was elected chairman and Rep. Jerry Driscoll vice chairman of the Joint Select Committee on Workers' Compensation at its organizational meeting on Oct. 4, when the committee also heard reports on financial status of the state compensation fund and suggestions from private citizens on measures to improve the operations of the system. Also presented were updates on the progress toward the establishment of the new State Compensation Mutual Insurance Fund on Jan. 1, 1990, and the establishment of an assigned risk plan by the Department of Labor and Industry.

HB 62 Obligations Addressed...Recognizing the responsibility assigned by HB 62, which mandated the study, the committee took several actions to satisfy the requirements of that act:

¶ After review of the situation, the committee decided that sale of the state fund is not a viable alternative and decided not to consider further that option.

¶ After consideration of the optional means of gathering information, the committee decided not to hire a consultant as authorized by HB 62 but to rely on the committee staff, the Legislative Auditor, the state fund actuary, and the National Council of Compensation Insurers to provide the information necessary to assess the problems afflicting Compensation Plan No. 3.

¶ Because of the proximity to state agencies and the availability of information sources, the committee decided to hold all of its meetings in Helena and to allow time for public input at each meeting.

¶ After discussing the objectives of the study, the study approved the general outline of the study presented by the staff with the provision that at each meeting the subject matter for the following meeting will be assigned.

Dec. 7 Is Date For Next Meeting...The committee will meet at 10 a.m. Thursday, Dec. 7, in Room 104 of the Capitol, when the status of Plan No. 1, self-insurers, and Plan No. 2, commercial insurers, will be reviewed and the state fund actuary will be asked to provide responses to questions posed by committee members.

COMMITTEE ON STATE EMPLOYEE COMPENSATION

Governor Addresses Committee..The Committee on State Employee Compensation held its first meeting on Oct. 27 when Gov. Stan Stephens asked members to consider several compensation issues including:

¶ the market competitiveness of the state's compensation system;
¶ streamlining the number of pay schedules;
¶ rewarding outstanding performance;
¶ recognizing length of service; and
¶ the state employee benefit package.

The Governor suggested that the Committee examine successful employment practices used by private sector employers. In addition, he urged the group to identify revenue sources for funding its recommendations.

Situation Reviewed...Following the Governor's address, staff provided background information on the state employee pay plans, benefits, classification, and collective bargaining. In addition, the Committee reviewed a draft problem identification questionnaire that will be mailed to a sample of state employees. Members also

adopted a study plan and meeting schedule and scheduled the next meeting on Tuesday, Dec. 19, in Helena.

Legislative Mandate...The Committee on State Employee Compensation was authorized by the 1989 Legislature through passage of House Bill No. 786 during the regular session. This legislation directs the Committee to examine policies governing state employee compensation, assess various components of the compensation system, and report its findings and recommendations to the Governor and the 52nd Legislature. The State Personnel Division of the Department of Administration and the Legislative Council provide staff services for the Committee. Members of the Committee are: Bob Marks, Chairman; Ralph Anderson, John Radeck, Gene O'Hara, Bob Kelly, vice-chairman; Barbara Booher, Tom Schneider, Rep. Vicki Cocchiarella, and Sen. Gerry Devlin.

REVENUE OVERSIGHT COMMITTEE

Fiscal 1989 General Fund Revenue Status Report...As part of its responsibility to provide assistance to the Revenue Oversight Committee in developing revenue estimates for the next biennium, the Legislative Fiscal Analyst presented information on general fund revenue and ending fund balance for FY 1989 at the committee's Oct. 27 meeting. The information, based on unaudited Statewide Budgeting and Accounting System reports, shows general fund revenue collections totaled $410.4 million and the unreserved general fund balance amounted to $67.2 million. The LFA report also detailed information on school foundation revenue: $168.0 million in state equalization, $91.5 million in county equalization, and $18.9 million for the district share of the permissive levy.

HB 28 and the Guaranteed Tax Base...Terry Cohea from the Office of Public Instruction informed the committee on OPI's schedule for rule adoption and implementation of the guaranteed tax base provisions of HB 28. Ms Cohea also discussed the portion of the study plan, adopted by the Legislative Oversight Committee on School Funding Implementation, on school equalization and its relationship to the Revenue Oversight Committee's study on the guaranteed tax base.

The committee also heard a report from staff that reviewed the

major funding and taxation provisions of HB 28 and examined the guaranteed tax base concept in general and how it applies in Montana.

DOR Refund Policy on Taxes Paid on Federal Retirement...The Department of Revenue described its policy for responding to claims for refunds on taxes paid on retirement income for the period 1983 through 1988 by federal civil service and military retirees. The department will routinely deny such claims until the issue of whether Davis v. Michigan applies retroactively is decided in state district court. All amended tax returns will be held in abeyance until a decision is rendered, probably sometime in June or July of next year. Taxpayers have the option of appealing the denial for a refund through the State Tax Appeal Board.

Committee Action...The committee took the following action:

(1) requested that the Department of Revenue develop a database to provide fiscal estimates on various proposals for the taxation of retirement income;

(2) directed staff to update the sales tax database for the next biennium; and

(3) agreed to a request by Rep. Ben Cohen to hear public comment concerning the taxation of timberland at its Feb. 9 meeting.

Dec. 8 Meeting Date...The next Revenue Oversight Committee meeting is scheduled for Dec. 8 at 9 a.m. in Room 104 of the Capitol.

SELECT COMMITTEE ON INDIAN AFFAIRS

Svrcek, Gervais Head Committee...The Committee on Indian Affairs met Sept. 29, to organize for the interim. Members selected Sen. Paul Svrcek as chairman and Rep. Bob Gervais as vice-chairman.

Activity Reports Heard...The Committee heard status reports on the activities of the Reserved Water Rights Compact Commission,

Indian child welfare matters, Minorities in Montana Education Project, and public hearings on the proposed hunting and fishing agreement between the state and the Confederated Salish and Kootenai Tribes. Brenda Desmond, instructor, School of Law, University of Montana, provided an overview of tribal government and court structure in Montana. The staff presented reports on pending litigation involving the tribes and the state, activities of past Committees on Indian Affairs, and possible study topics.

Study Topics Chosen...The Committee selected several study topics to pursue during this interim, including taxation, protection of ancient burial remains, gambling, urban Indians, and Indian students in higher education. The group also adopted a meeting schedule and will meet next on Thursday, Feb. 15.

LEGISLATIVE COUNCIL

Meeting Scheduled Nov. 7...The Legislative Council will meet Tuesday, Nov. 7, to discuss and act on a number of administrative matters including office organization, rules of procedure, and staff work.

Interim Directory Published...The Interim Directory of Legislative Committees for 1989-1991 has been printed and is now available from the Legislative Council. The Directory is a compendium of all interim and statutory legislative committees and councils, and includes a profile of each committee and a list of each committee's membership and staff.

The Directory was distributed to legislators, executive branch departments, and others in mid-October. Lobbyists and others interested in obtaining a copy of the Directory should contact the Legislative Council at Room 138, State Capitol, in Helena.

Research Memorandums

¶ Workers' Compensation Act Changes Passed and Approved in 1989

¶ Workers' Compensation Law Background

¶ House Bill No. 28 and the Guaranteed Tax Base

¶ The Montana Clean Indoor Air Act

¶ Current Mandates on the Removal of Juveniles from Adult Jails and Other Detention Facilities

LEGAL DIVISION

Legal Memorandums

¶ Adult and Juvenile Detention

Initiative Proposals

Pursuant to 13-27-202(2), MCA, copies of correspondence are available from the Secretary of State

¶ Repeal Seat Belt Law

¶ Fully Inform Jury

¶ Require Elections on Taxes

MONTANA CODE ANNOTATED

Contract Awarded...The contract for printing the annotations portion of the Montana Code Annotated was awarded on Oct. 30. The contract is awarded based upon competitive bidding. The low bid was received from Advanced Litho Printing of Great Falls.

COAL TAX OVERSIGHT SUBCOMMITTEE

Reports Scheduled on Dec. 4...At the meeting of the Coal Tax Oversight Subcommittee on Dec. 4, reports on use of coal severance tax funds will be heard from the Coal Board, the Department of Commerce for county land planning, the Department of Agriculture for Growth through Agriculture, and the State Library Commission. The meeting will be in Room 104 of the Capitol.

ENVIRONMENTAL QUALITY COUNCIL

Ground Water Quality Management...The Environmental Quality Council met Nov. 3 in Room 104 of the Capitol. The principal discussion topic was ground water quality management. Agenda items included a summary of state agency approaches to ground water protection; a case study concerning how governmental agencies addressed a specific ground water problem; and, a report from the ground water data task force on its initial efforts to determine ground water data gaps.

Other agenda items included briefings on ground water monitoring at existing landfills, the implementation of HB 680 which addresses cyanide use and small hard-rock mines, the Board of Oil and Gas Conservation's programmatic EIS, and the consent decree on the Livingston/Burlington Northern site.

WATER POLICY COMMITTEE

Meeting Planned Nov. 9...The Water Policy Committee's next meeting is scheduled for Thursday, Nov, 9, in the Montana State Library conference room. The meeting will begin at 10 a.m. with agenda items following up on the process for determining federal and Indian reserved water rights, and presentations concerning potentials for federal water development projects in Montana.

INTERIM CALENDAR

Nov. 3, Environmental Quality Council, Room 104.

Nov. 7, Legislative Finance Committee.

Nov. 7, Legislative Council, Room 132, 10 a.m.

Nov. 8, Centennial Mock Legislative Session

Nov. 8, Centennial Ball, State Capitol

Nov. 9, Water Policy Committee, Montana State Library Conference Room.

Nov. 10, Holiday, observance of Veterans Day

Nov. 12-15, annual meeting, Western Legislative Conference, Council of State Governments, Monterey, California

Nov. 23, Holiday, Thanksgiving

Dec. 2-6, annual meeting, Council of State Governments, Salt Lake City, Utah

Dec. 4, Coal Tax Oversight Subcommittee, Room 104, 9 a.m.

Dec. 7, Joint Select Committee on Workers' Compensation, Room 104, 10 a.m.

Dec. 8, Revenue Oversight Committee, Room 104, 9 a.m.

Dec. 18, Legislative Audit Committee, Room 104

Dec. 19, Committee on State Employee Compensation

ALL MONTANANS SALUTE

THE COURAGEOUS PIONEERS

WHO 100 YEARS AGO WERE THE FIRST CITIZENS

OF THE NEW STATE OF MONTANA

AND WHOSE VISION CHARTED

THE WAY TO GREAT ACCOMPLISHMENTS!

WE ASPIRE TO EQUALLING THEIR

ACHIEVEMENTS DURING THE NEXT CENTURY

UNDER THE BIG SKY

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Montana Legislative Council
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